

**CS FOR SENATE BILL NO. 93(HSS)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE HEALTH AND SOCIAL SERVICES COMMITTEE

Offered: 4/14/21

Referred: Labor & Commerce, Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to the establishment of an all-payer health claims database; and**  
2   **providing for an effective date."**

3   **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4    \* **Section 1.** AS 21 is amended by adding a new chapter to read:

5                   **Chapter 92. All-Payer Health Claims Database.**

6                   **Sec. 21.92.010. All-payer health claims database established.** (a) The  
7                   director shall establish a statewide all-payer health claims database. The purpose of the  
8                   database is to

9                               (1) collect and analyze existing health care cost and quality data;

10                              (2) create an objective, reliable, and comprehensive central repository  
11                   of health care information;

12                              (3) provide researchers, policy makers, and the public timely and  
13                   transparent access to health care information while protecting individual privacy and  
14                   proprietary data; and

1 (4) enable researchers, policy makers, and the public to make informed  
2 health care decisions and reduce unnecessary health care costs.

3 (b) The all-payer health claims database must provide for

4 (1) publishable analytics that improve transparency so as to

5 (A) assist patients, providers, and health care facilities to make  
6 informed choices about care;

7 (B) enable providers, insurers, payers, health care facilities, and  
8 communities to improve by benchmarking their performance against that of  
9 others and focusing on establishing best practices;

10 (C) enable purchasers to identify value and build expectations  
11 into their purchasing strategy; and

12 (D) promote competition based on quality and value;

13 (2) systematic collection of, at a minimum,

14 (A) payment and other data for all medical and pharmacy  
15 claims that are billed, rejected, and paid;

16 (B) payment and other data for all health care-related claims  
17 that have been adjudicated;

18 (C) de-identified enrollment files and provider files that include  
19 cost and quality metrics from private and public payers, with data from all  
20 settings of care that permit the systematic analysis of health care delivery; and

21 (3) enhanced transparency and accountability and validated statewide,  
22 plan, and health care entity-level data by market segment, health care setting,  
23 demographics, geography, diagnosis, and other variables.

24 (c) The director may

25 (1) except as prohibited under federal law, require a health care insurer  
26 operating in the state to submit health care data to the database by a procedure and in a  
27 format established by the division in regulation; the regulations must require that a  
28 health care insurer submit health care data in accordance with AS 45.48 and federal  
29 privacy requirements for the protection of patient data;

30 (2) establish and impose reasonable penalties necessary to ensure  
31 compliance with mandatory health care data reporting requirements adopted by the

1 division in regulation;

2 (3) establish agreements for voluntary reporting of health care data,  
3 including cost and quality metrics from health care payers that are not subject to  
4 mandatory reporting requirements, to ensure availability of the most comprehensive  
5 and system-wide data on health care costs and quality;

6 (4) solicit, receive, and administer funding for the creation of the  
7 database from public and private sources;

8 (5) establish by regulation a schedule of reasonable fees to be charged  
9 to an authorized requester that is a business entity for the use and distribution of data  
10 from the database to the business entity; and

11 (6) carry out other activities necessary to fulfill the purposes of this  
12 chapter.

13 **Sec. 21.92.020. Selection and duties of lead organization.** (a) The director  
14 shall use a competitive bid process under AS 36.30 (State Procurement Code) to select  
15 an organization to coordinate and manage the all-payer health claims database.

16 (b) The selected organization shall

17 (1) apply to be certified as a qualified entity under 42 C.F.R.  
18 401.703(a) by the Centers for Medicare and Medicaid Services;

19 (2) enter into a contract with a data vendor or multiple data vendors to  
20 perform data collection, processing, aggregation, extracts, and analytics;

21 (3) be responsible for internal governance, management, and  
22 operations of the database and shall work with the data vendor to fulfill the purpose of  
23 this chapter;

24 (4) engage stakeholders in the development and maintenance of the  
25 database;

26 (5) provide an annual report to the director regarding the status of the  
27 database and any recommendations for changes to the database to fulfill the purposes  
28 of this chapter;

29 (6) establish a process for making claims and other data from the  
30 database available for use and distribution upon request to authorized requesters,  
31 consistent with the requirements of this chapter;

(7) engage consumer protection stakeholders and the community in the process described in (6) of this subsection to ensure claims and other data from the database are available in a format accessible to all authorized requesters;

(8) prepare a health care data report each calendar year that aggregates and analyzes the data submitted to the database during the previous calendar year; and

(9) perform other duties as required by the director to fulfill the purposes of this chapter.

**Sec. 21.92.030. Confidentiality.** (a) The all-payer health claims database and the information contained in the database are confidential and are not public records subject to public inspection or disclosure under AS 40.25.100 - 40.25.295 (Alaska Public Records Act). The organization selected to coordinate and manage the all-payer health claims database shall ensure the security and confidentiality of the database and the information contained in the database and shall comply with applicable state and federal privacy laws. Aggregated health care information contained in the database may not be shared except as provided in regulations adopted to carry out the purpose of this chapter. Individually identifiable health care information contained in the database may be accessed only by the organization selected to coordinate and manage the all-payer health claims database under AS 21.92.020 and may not be shared.

(b) Information contained in the database is not subject to subpoena in any civil, criminal, judicial, or administrative proceeding, except that information pertaining to a party in litigation may be subject to subpoena in an action brought by or on behalf of that party to enforce a liability claim arising under this chapter.

**Sec. 21.92.040. Eligibility for state grants.** (a) A health care insurer that is required to submit health care data to the statewide all-payer health claims database may not receive a state grant unless the insurer submits the data as required by the director under AS 21.92.010.

(b) A health care payer that agrees to voluntarily report health care data to the statewide all-payer health claims database may not receive a state grant unless the payer reports the data to the database as required by the payer's agreement.

**Sec. 21.92.050. Regulations.** The director may adopt regulations to implement, define, and enforce the provisions of this chapter.

1     \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3           TRANSITION: REGULATIONS. Not later than January 1 of the calendar year  
4 following the effective date of sec. 1 of this Act, the director of the division of insurance shall  
5 adopt regulations necessary to implement changes made by sec. 1 of this Act. The regulations  
6 take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date  
7 of sec. 1 of this Act.

8     \* **Sec. 3.** Section 2 of this Act takes effect immediately under AS 01.10.070(c).